

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

THOMAS NICHOLAS SALZANO,

Defendant.

Civ. No. 21-cv-12189

**ORDER GRANTING LEAVE
TO INTERVENE AND
A STAY**

This matter having come before the Court upon the motion of the United States for an Order: (1) granting the United States leave to intervene in the above-captioned civil action (the “Civil Case”) pursuant to Federal Rule of Civil Procedure 24; and (2) staying the Civil Case pending the conclusion of criminal proceedings in *United States v. Salzano*, Mag. No. 21-13062 (LDW), and any related proceedings before the United States District Court, including trial (the “Criminal Case”):

WHEREAS, on March 4, 2021, a criminal complaint was unsealed against Thomas Nicholas Salzano (the “Defendant”) charging the Defendant with one count of wire fraud in violation of 18 U.S.C. § 1343 and one count of aggravated identity theft in violation of 18 U.S.C. § 1028A (the “Criminal Complaint”). *See* 21-MJ-13062.

WHEREAS, The Criminal Complaint alleges that in January 2019, the Defendant used a sham loan document with a forged signature of the chief

executive officer of a lending company in an attempt to obtain \$150,000 from a California investor.

WHEREAS, special agents of the Federal Bureau of Investigation arrested the Defendant in connection with the Criminal Complaint. *See* 21-MJ-13062, Dkt. 2. Later that afternoon, the Defendant appeared before Judge Wettre for an initial appearance during which the Court set conditions of release. *See* 21-MJ-13062, Dkt. 3.

WHEREAS, Judge Wettre signed a continuance, on consent by the parties, tolling the deadline for indictment under the Speedy Trial Act of 1974 until September 30, 2021.

WHEREAS, on June 7, 2021, plaintiff Securities and Exchange Commission (the “SEC”) filed the Civil Case against the Defendant alleging that the Defendant violated Sections 17(a)(1) and (3) of the Securities Act of 1933.

WHEREAS, the SEC’s civil complaint alleges that, among other things, the Defendant “[i]n January 2019, Salzano used a sham loan document with a forged signature in an unsuccessful attempt to obtain a \$150,000 investment in a purported real estate joint venture in New Jersey.”

WHEREAS, the Defendant has not answered the SEC’s civil complaint, and the parties have not yet exchanged discovery in the Civil Case.

WHEREAS, there is a significant overlap between the Civil Case and the Criminal Case in that the civil proceeding and the criminal prosecution involve the same individual defendant (Salzano), the same alleged scheme to defraud, and the same potential witnesses.

WHEREAS, a stay of the Civil Case will cause little to no particularized harm to the SEC, the Defendant, or to the public, and it will likely benefit the parties and the public by reducing the scope of discovery in the Civil Case and by narrowing or eliminating the issues to be decided in the Civil Case.

WHEREAS, the United States timely applied to intervene in the Civil Case.

WHEREAS, the United States has a sufficient interest in the Civil Case that may be affected or impaired by the disposition of the Civil Case and which is not adequately represented by an existing party in the Civil Case.

WHEREAS, the Civil Case and the Criminal Case share common questions of law and fact.

WHEREAS, this Court has the inherent authority to stay proceedings in a civil case in the interests of justice when a parallel criminal prosecution is underway.

WHEREAS, the SEC and the Defendant are not opposed to staying proceedings in the Civil Case until the Criminal Case has concluded.

IT IS THEREFORE ON THIS 16th DAY OF August 2021,

ORDERED that, pursuant to Federal Rules of Civil Procedure 24(a)(2) and 24(b)(1)(B), the United States is granted leave to intervene in the above-captioned matter; and it is further

ORDERED that, in the interests of justice, the above-captioned matter is hereby stayed until the Criminal Case is completed.

/s/ André M. Espinosa
ANDRÉ M. ESPINOSA
United States Magistrate Judge